

PURCHASES AND PAYABLES

Purchasing Policy

The Purchasing Agent shall select sources of supply in concert with the appropriate Department. This shall be accomplished with a view toward creating good vendor relations and promoting the best interest of the City.

It shall further be the purchasing policy of Knoxville, Iowa, to allow the City Council the discretion of showing preference in purchasing goods and services from vendors who produce goods or services or maintain an office in Knoxville. Preference may also be given to goods produced in Marion County. Further, it shall be the policy of the City departments of Knoxville to actively solicit and seek out local vendors or goods and services and to encourage such vendors to stock and supply Iowa made products. Such preference shall not apply to procurement involving Federal funds and that where federal, state, and local regulations conflict, that the most stringent policy is to be required.

The City must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the City may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, the City may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the City.

The City must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

1. Purchasing Guidelines

- A. Purchases of less than \$1,000.00 may be made in the open market without necessary resorts to requests for quotations. Every effort will be made, however, to get the lowest and best price and to share the business among responsible vendors.
- B. Purchases with an estimated cost in excess of \$1,000.00 must be competitive. At least two (2) written quotations or a statement of why two are not available must accompany a purchase requisition.
- C. Purchases with an estimated cost in excess of \$5,000.00 must be competitive. At least three (3) written quotations or a statement of why three are not available must accompany the purchase request. Council approval of the purchase is required.

- D. Purchases with estimated cost in excess of \$10,000.00 must be competitive and sealed bids are required. Council approval of the purchase is required.
- E. Purchases with an estimated cost in excess of \$25,000.00 must follow a formal bidding procedure.
- F. All bid-based contracts must meet the requirements of Iowa Code, if applicable.
- G. All Federal grantee contracts and subcontracts shall verify that entities proposed for contract or subcontract are not excluded or disqualified under the Federal Excluded Parties List System.

Additionally, the City will follow Rules for procuring with federal funds are located in Uniform Grant Guidance in Title 2 Code of Federal Regulation (C.F.R.) Grants and Agreements, Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

§200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

- (a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.
- (b) Affirmative steps must include:
 - (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
 - (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
 - (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
 - (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
 - (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
 - (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

§200.326 Contract provisions. (Appendix II is attached)

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.